

ORIGINAL



0000160872

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

2015 MAY 18 PM 2 33

IN THE MATTER OF THE APPLICATION OF
LAKE VERDE WATER COMPANY, INC.
FOR APPROVAL OF AN EMERGENCY
RATE INCREASE.

DOCKET NO. W-01557A-15-0079

IN THE MATTER OF THE APPLICATION OF
LAKE VERDE WATER COMPANY, INC.
FOR APPROVAL OF AN ORDER
AUTHORIZING THE COMPANY TO ISSUE
\$500,000.00 OF DEBT.

DOCKET NO. W-01557A-15-0080

STAFF'S NOTICE OF FILING

Staff of the Arizona Corporation Commission ("Staff") hereby files the Annual Report for
Year Ending December 31, 2013 on behalf of Lake Verde Water Company, Inc.

RESPECTFULLY SUBMITTED this 18th day of May, 2015.

Matthew Laudone, Attorney
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and thirteen (13) copies
of the foregoing filed this
18th day of May, 2015 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copy of the foregoing mailed this
18th day of May, 2015 to:

...

...

Arizona Corporation Commission

DOCKETED

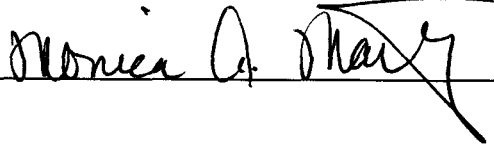
MAY 18 2015

DOCKETED BY

TV

1 Dugan Lee McDonald, President
Lake Verde Water Company, Inc.
2 PO Box 2777
738 South Parks Drive
3 Camp Verde, AZ 86322
Dbmcdonald78@gmail.com

4 Rick Zeise
5 Arizona Office of Attorney General
1275 W. Washington St.
6 Phoenix, AZ 85007

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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01557A

Lake Verde Water Company, Inc.
PO Box 2777
Camp Verde, AZ 86322

RECEIVED

DEC 15 2014

ACC UTILITIES DIRECTOR

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2013
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FOR COMMISSION USE

ANN 04	13
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12-17-14

COMPANY INFORMATION

Company Name (Business Name) <u>LAKE VERDE WATER COMPANY INC.</u>			
Mailing Address <u>Po Box 2777</u>			
<u>Camp Verde</u> (City)	<u>AZ</u> (State)	<u>86322</u> (Zip)	
<u>928-567-9170</u> Telephone No. (Include Area Code)	<u>928-567-6351</u> Fax No. (Include Area Code)	<u>928-301-5964</u> Cell No. (Include Area Code)	
Email Address <u>Bmancos@gmail.com</u>			
Local Office Mailing Address <u>738 S. Parks Drive</u>			
<u>Camp Verde</u> (City)	<u>AZ</u> (State)	<u>86322</u> (Zip)	
<u>928-567-9170</u> Local Office Telephone No. (Include Area Code)	<u>928-567-6351</u> Fax No. (Include Area Code)	<u>928-301-5964</u> Cell No. (Include Area Code)	
Email Address <u>Bmancos@gmail.com</u>			

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:			
<input checked="" type="checkbox"/> Management Contact: <u>Dugan L McDonald</u> <u>member</u>			
<u>Po Box 3270</u> (Street)	<u>Camp Verde</u> (City)	<u>AZ</u> (State)	<u>86322</u> (Zip)
<u>928-567-9170</u> Telephone No. (Include Area Code)	<u>928-567-6351</u> Fax No. (Include Area Code)	<u>928-301-5064</u> Cell No. (Include Area Code)	
Email Address <u>Bmancos@gmail.com</u>			
On Site Manager: <u>Allan Williams</u>			
<u>2180 E Amy Drive</u> (Street)	<u>Camp Verde</u> (City)	<u>AZ</u> (State)	<u>86322</u> (Zip)
<u>928-300-0541</u> Telephone No. (Include Area Code)	<u>928-567-6351</u> Fax No. (Include Area Code)	<u>928-300-0541</u> Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: Dugan L McDonald
 (Name)

738 S. Parks Drive Camp Verde AZ 86322
 (Street) (City) (State) (Zip)

928-567-9170 928-567-6351 928-301-5964
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: NONE
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME LAKE VERDE WATER CO

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	7590.00	7590.00	—
302	Franchises			
303	Land and Land Rights	10,000	—	10,000
304	Structures and Improvements			
307	Wells and Springs	5016.00	5016.00	—
311	Pumping Equipment	20875.00	19940.50	934.50
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains	19032.00	18882.50	149.50
333	Services			
334	Meters and Meter Installations	955.00	955.00	—
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	380.00	380.00	—
340.1	Computers & Software	1925.00	1925.00	—
341	Transportation Equipment	1894.00	1894.00	—
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1263.00	1263.00	—
346	Communication Equipment	461.00	461.00	—
347	Miscellaneous Equipment	312.00	312.00	—
348	Other Tangible Plant			
	TOTALS	69703.00	58619.00	11084.00

This amount goes on the Balance Sheet Acct. No. 108 

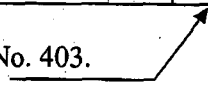
COMPANY NAME

LAKE VERDE WATER CO

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
320.1	Water Treatment Plants			
320.2	Solution Chemical Feeders			
330	Distribution Reservoirs and Standpipes			
330.1	Storage Tanks			
330.2	Pressure Tanks			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
340.1	Computers & Software			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.



COMPANY NAME LAKE VERDE WATER CO

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 5155.44	\$ 2986.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1985.61	1321.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7141.05	\$ 4307.00
	FIXED ASSETS		
101	Utility Plant in Service	\$ 63632.00	\$ 63632.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	<52,563.00>	<56866.00>
121	Non-Utility Property <i>Intangible Assds</i>	55090.00	55090.00
122	Accumulated Depreciation - Non Utility	<48761.00>	<51928.00>
	TOTAL FIXED ASSETS	\$ 17398.00	\$ 928.00
	TOTAL ASSETS	\$ 24539.05	\$ 14235.00

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME LAKE VERDE WATER CO**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 740.00	\$ 670.00
232	Notes Payable (Current Portion)	2747.00	2747.00
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	1281.00	1435.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4768.00	\$ 4852.00
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 4768.00	\$ 4852.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 90,000.00	\$ 90,000.00
211	Paid in Capital in Excess of Par Value	19,200.00	19,200.00
215	Retained Earnings	(89,429.00)	(99,817.00)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$ 24539.00	\$ 14235.00

COMPANY NAME LAKE VERDE WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 16,858.00	\$ 16,709.00
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 16,858.00	\$ 16,709.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	1996.60	1948.88
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense	146.89	1464.19
630	Outside Services	7725.33	4259.33
635	Water Testing	1235.43	1668.59
641	Rents		2100.00
650	Transportation Expenses		1583.45
657	Insurance - General Liability	1191.75	671.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	5741.38	8211.03
403	Depreciation Expense	4428.00	4303.00
408	Taxes Other Than Income		
408.11	Property Taxes	724.62	846.53
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 23,190.00	\$ 27,056.00
	OPERATING INCOME/(LOSS)	\$ <6332.00>	\$ <10347.00>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <6332.00>	\$ <10347.00>

COMPANY NAME LAKE VERDE WATER COMPANY INC.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan	<i>NONE</i>			
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME	LAKE VERDE WATER COMPANY INC		
Name of System:	LAKE VERDE WATER	ADEQ Public Water System Number:	13038

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
643828	2	22		8	15	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
5000	1	2000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Lake Verde Water Co Inc		
Name of System:	LAKE VERDE WATER CO	ADEQ Public Water System Number:	13038

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	Galv	680
3	Galv	240
4	Galv	4300
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	68
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>LAKE VERDE WATER COMPANY</u>
Name of System: <u>LAKE VERDE WATER</u> ADEQ Public Water System Number: <u>13038</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2013

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	68	257,430	332,900	0
FEBRUARY	68	244,780	296,200	0
MARCH	68	410,570	434,900	0
APRIL	68	674,209	591,600	0
MAY	68	739,218	759,900	0
JUNE	68	801,963	840,600	0
JULY	68	462,010	450,900	0
AUGUST	68	398,041	421,100	0
SEPTEMBER	68	408,500	435,479	0
OCTOBER	68	319,046	318,100	0
NOVEMBER	68	257,395	279,200	0
DECEMBER	68	335,059	467,200	0
TOTALS →		5,308,221	5,628,079	

What is the level of arsenic for each well on your system? .24 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes ☒ No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:	LAKE VERDE WATER COMPANY
Name of System:	LAKE VERDE WATER ADEQ Public Water System Number: 13038

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	/
FEBRUARY	0	0	
MARCH	0	1	
APRIL	0	0	
MAY	0	0	
JUNE	0	0	
JULY	0	0	
AUGUST	0	0	
SEPTEMBER	0	0	
OCTOBER	0	0	
NOVEMBER	0	0	
DECEMBER	0	0	
TOTALS →	0	1	0

OTHER (description):

COMPANY NAME Lake Verde Water Company YEAR ENDING 12/31/2013

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2013 was: \$ 840.94

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED

DEC 15 2014

**AZ CORP COMM
Director - Utilities**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>DUGAN L McDonald</u>
COMPANY NAME
<u>Lake Verde Water Company Inc</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING


MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2013</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL
928-567-9170
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME



A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF

COUNTY NAME
<u>Yavapai</u>
MONTH <u>December</u> <u>20 14</u>

(SEAL)

MY COMMISSION EXPIRES May 25, 2018


SIGNATURE OF NOTARY PUBLIC

**JODI LEWIS
Notary Public - Arizona
Yavapai County
My Comm. Expires May 25, 2015**

COMPANY NAME Lake Verde Water Company Inc YEAR ENDING 12/31/2013

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported _____
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

18 Feb 2014
DATE

Dugan L McDonald
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Yavapai</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>DUGAN L. McDonald</u>
COMPANY NAME
<u>Hake Verde Water Company Inc.</u>

RECEIVED
DEC 15 2014
AZ CORP COMM
Director - Utilities

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2013</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2013 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 16,708.96

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1233.49
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928-567-9170
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

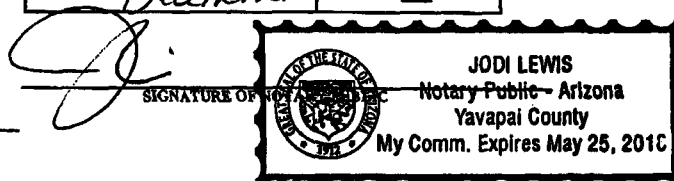
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF

COUNTY NAME
<u>Yavapai</u>
MONTH <u>December</u> .20 <u>14</u>

(SEAL)

MY COMMISSION EXPIRES May 25, 2018



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

DEC 15 2014

AZ CORP COMM
Director - Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>DUGAN L McDonald</u>	TITLE <u>President</u>
COMPANY NAME <u>Lake Verde water company inc</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2013</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2013 WAS:

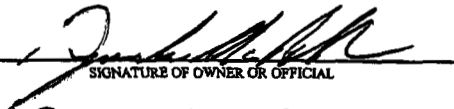
ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 16,708.96

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 1233.49
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL
928-567-9170
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th

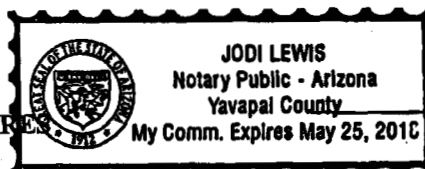
DAY OF

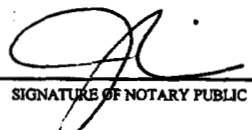
NOTARY PUBLIC NAME <u>Jodi Lewis</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>December</u>	.20 <u>14</u>

(SEAL)

MY COMMISSION EXPIRES

May 25, 2018




SIGNATURE OF NOTARY PUBLIC